

## **Morrison says Montana can afford insurance for children**

By MIKE DENNISON – Billings Gazette – February 7, 2008

HELENA - State Auditor John Morrison on Wednesday defended his "cover all kids" health care initiative against suggestions it could upset the state budget, saying he believes money is there to pay for it.

And if public money gets tighter next year, the state Legislature would still have the power to "set priorities" on how to spend it, he told a panel of state lawmakers.

Of course, Morrison said funding the health care initiative - if it's approved by voters - should be a top priority.

"In my opinion, every child in Montana deserves to be covered, just like they (deserve) to go to school," he said. "It's no different."

Morrison is the driving force behind a proposed ballot measure known as the Healthy Montana Kids plan. It would expand government-financed health coverage for 30,000 Montana kids currently without health insurance.

The petition to qualify the measure for the 2008 ballot is being reviewed by state officials and should be ready for signature gathering by late February or early March.

The Healthy Montana Kids plan would expand eligibility for Medicaid and the Children's Health Insurance Plan, two programs that use state and federal money to provide health insurance to children from poor and middle-income families.

Morrison told the Interim Subcommittee on Health Insurance Reform that Montana's eligibility income limits for these two programs is among the lowest in the nation.

"Montana has a bad uninsured problem for children - one of the worst in the nation," he said, noting that 34,000 to 35,000 kids in Montana have no health insurance. Uninsured kids are less likely to get treatment for sickness and injury and may fall behind at school because of health problems, Morrison said.

"If we're going to take a big bite out of the uninsured in Montana, it makes sense to start with kids," he said.

If the measure is approved by voters, Morrison estimated it would cost the state about \$20 million a year to finance the expanded coverage - but also would bring in \$70 million in federal funds.

Rep. Bill Thomas, D-Great Falls, said the state budget will face other pressures next year, and asked whether expanding CHIP and Medicaid and those other obligations could be accomplished without raising taxes.

Morrison said he felt the state budget has enough of a surplus to cover the cost. If it doesn't, the Legislature still has the final say on how to allocate funds for CHIP, Medicaid and other programs, he said.

Yet, if the measure is approved by voters, the people of Montana will have expressed their opinion that providing health insurance to more children is a high priority, Morrison said.

Rep. Scott Mendenhall, R-Clancy, also said he's concerned that the initiative could lead to more health care "cost shifting."

If CHIP and Medicaid payments to physicians, hospitals and other health care providers are lower than payments by private health insurance, expanding the two programs could shift more costs to those buying private insurance, he said.

Mark Burzynski, chief of external affairs for Montana Blue Cross/Blue Shield, the state's largest private health insurer, told the committee that CHIP payments to providers are about 80 percent of what Blue Cross pays to

providers under its insurance policies.

However, he said cash flow created by the initiative for newly covered kids "would more than dwarf" any cost shifting that might occur.

"The financial impact for (health care) providers would be more positive than less," Burzynski said.